VZCZCXYZ0016 RR RUEHWEB

DE RUEHUP #0613 1101503 ZNR UUUUU ZZH R 201503Z APR 07 FM AMEMBASSY BUDAPEST TO SECSTATE WASHDC 1120

UNCLAS BUDAPEST 000613

SIPDIS

SIPDIS

EUR/NCE MICHELLE LABONTE

E.O. 12958: N/A

TAGS: PREL EFIN ETRD EXIM OECD

SUBJECT: HUNGARY'S RESPONSE TO DEMARCHE TO PROMOTE A COMMON

LINE RESTRICTING EXPORT CREDITS TO IRAN

REF: A. SECSTATE 50834

¶B. SECSTATE 40909

- 11. (U) MFA Iran desk officer told poloff on April 20 that GOH policies concerning restricting export tax credits to Iran are "in step" with the USG position. Nyitrai elaborated that "Hungary has little, if any trade with Iran." Nytrai anticipates no dissent among EU partners regarding the common positions and prohibitions within the union regarding Iran.
- 12. (U) In follow-up to REF B, Nyitrai thanked poloff for keeping the MFA and Iran desk informed of USG policies and actions designation of Iran's defense industries organization under E.O. 13382. Said Nyitrai, Hungary "does not cooperate with Iran on such issues" and agrees with the U.S. position. Nyitrai is unaware of any possible cooperation or financial transaction between designated Iranian proliferation entities and entities in Hungary. FOLEY